POINT FOUNDATION
COMPARATIVE FINANCIAL STATEMENTS
Years Ended December 31, 1986 & 1985

VINCENT+ROSE INC.
CERTIFIED
PUBLIC ACCOUNTANTS

Ronald Vincent, CPA
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VINCENT + ROSE INC.
CERTIFIED
PUBLIC ACCOUNTANTS

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The Board of Directors
Point Foundation
Sausalito, California

We have compiled the accompanying comparative balance sheet of Point Foundation as of December 31, 1986 and 1985, and the related statement of revenue, expense and fund balance, and changes in financial position for the years then ended in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Foundation's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Vincent + Rose Inc.

Berkeley, California
October 28, 1987

POINT FOUNDATION
BALANCE SHEET
December 31

	1986	1985
ASSETS		
Current Assets:		
Cash	$ 30,256	$ 93,027
Accounts Receivable		
Publications - Net	26,753	20,680
Mailing Lists	10,774	14,901
Other	2,788	1,104
Inventories - Net	4,253	32,910
Total Current Assets	$ 74,824	$ 162,622
Furniture & Equipment:		
Furniture & Equipment	$ 128,819	$ 128,811
Less Accumulated Depreciation	100,940	75,015
Net Furniture & Equipment	$ 27,879	$ 53,796
Other Assets	13,294	5,294
TOTAL ASSETS	$ 115,997	$ 221,712
LIABILITIES AND FUND BALANCE		
Current Liabilities:		
Accounts Payable	$ 39,136	$ 15,718
Accrued Liabilities	52,680	55,806
Advance from the WELL	8,084	15,469
Current Portion of Capital Lease Obligation	7,560	8,123
Deferred Subscription Revenue	275,170	305,264
Total Current Liabilities	$ 382,630	$ 400,380
Long-Term Portion of Capital Lease Obligations	1,426	8,986
Fund Deficit	(268,059)	(187,654)
TOTAL LIABILITIES AND FUND BALANCE	$ 115,997	$ 221,712

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VINCENT+ROSE INC.
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POINT FOUNDATION
STATEMENT OF REVENUE, EXPENSE, & FUND BALANCE
Year Ended December 31

	1986			1985
	Revenue Received	Related Direct Costs	Net Revenue Contributing To Expenses	Net Revenue Contributing To Expenses
REVENUE & RELATED DIRECT COSTS:				
Publication	$ 673,231	$ 589,761	$ 83,470	$ 52,418
Mailing List Sales	25,374	2,732	22,642	42,992
Public Support	38,632	-0-	38,632	47,799
All Other	4,248	-0-	4,248	8,504
TOTAL	$ 741,485	$ 592,493	$ 148,992	$ 151,713
GENERAL & ADMINISTRATIVE EXPENSES:				
Salaries & Related Costs			$ 81,977	$ 117,696
Rent			34,791	56,314
Depreciation			28,587	35,049
Telephone & Utilities			22,086	22,035
Grants			13,000	31,500
Postage			9,483	9,075
Maintenance, Repairs, & Rentals			7,019	5,272
Office & Computer Supplies			5,788	16,643
Random House Interest & Fees			5,070	13,196
Interest			4,690	4,335
Legal, Professional, & Copyright			4,540	1,175
Bank Service Fees			3,572	4,144
Taxes			2,770	6,521
Outside Production Services			2,747	8,286
Travel, Entertainment, & Promotion			2,136	1,411
Insurance			2,039	2,728
Research Materials			1,522	3,956
Communication & Network Expense			1,229	4,233
Bad Debt			770	429
Miscellaneous			2,966	1,658
Reimbursed Expenses - THE WELL			(7,385)	(49,009)
TOTAL EXPENSES			$ 229,397	$ 296,647
EXCESS OF EXPENSES OVER REVENUE			$ (80,405)	$(144,934)
FUND BALANCE				
Beginning Fund Balance			(187,654)	(42,720)
ENDING FUND BALANCE			$(268,059)	$(187,654)

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POINT FOUNDATION
STATEMENT OF CHANGES IN FINANCIAL POSITION
Year Ended December 31

	1986		1985	
	CASH	WORKING CAPITAL	CASH	WORKING CAPITAL
FUNDS WERE PROVIDED BY:				
Operations				
Excess of Expense Over Revenue	$ (80,405)	$ (80,405)	$(144,934)	$(144,934)
Expense Not Requiring Funds				
Depreciation	28,587	28,587	35,049	35,049
Loss of Equipment	-0-	-0-	14,399	14,399
Total Funds Provided By Operations	$ (51,818)	$ (51,818)	$ (95,486)	$ (95,486)
Changes in Working Capital Accounts Providing (Using) Cash from Operations				
Decrease in Inventory	$ 28,657		$ 18,201	
Decrease (Increase) in Accounts Payable	23,418		(21,438)	
Increase (Decrease) in Deferred Subscription Revenue	(30,094)		9,674	
Increase (Decrease) in Advance from THE WELL	(7,385)		15,469	
Decrease (Increase) in Accounts Receivable	(3,630)		166,412	
Decrease in Accrued Liabilities	(3,126)		(13,812)	
Decrease in Current Portion of Capital Lease	(563)		(91)	
Cash Provided by Operations	$ (44,541)		$ 78,929	
Other Funds Provided	3,429	3,429	5,502	5,502
TOTAL FUNDS PROVIDED	$ (41,112)	$ (48,389)	$ 84,431	$ (89,984)
FUNDS WERE USED FOR:				
Investment in the Well	$ 9,500	$ 9,500	$ -0-	$ -0-
Paydown on Capital Lease	7,560	7,560	8,123	8,123
Acquisition of Equipment	4,599	4,599	4,244	4,244
TOTAL FUNDS USED	21,659	21,659	12,367	12,367
INCREASE (DECREASE) IN FUNDS	$ (62,771)	$ (70,048)	$ 72,064	$(102,351)

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